

# PROPERTY FORECLOSURES IN MARYLAND FOURTH QUARTER 2012



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# **PROPERTY FORECLOSURE EVENTS IN MARYLAND FOURTH QUARTER 2012**

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# **PROPERTY FORECLOSURE EVENTS IN MARYLAND FOURTH QUARTER 2012**

## **EXECUTIVE SUMMARY**

According to RealtyTrac, property foreclosure filings (or events) in the U.S., including notices of default, notices of foreclosure sales and lender purchases of foreclosed properties, declined by 5.3 percent in the fourth quarter of 2012 and were down 14.1 percent below last year (Exhibit 1). The U.S. foreclosure rate, defined as the number of foreclosures per 10,000 households, declined from 40.4 in the previous quarter to 38.2 in the current quarter. About two-thirds of the judicial states such as Maryland reported year-over-year growth in foreclosure activity, while over 70 percent of the non-judicial states posted an annual decline. The annual decline in the nation's foreclosure activity is due to the large year-over-year declines in non-judicial states' foreclosure events.

Foreclosures in Maryland increased by 53.6 percent to 6,381 events in the fourth quarter, resuming their upward trend that started in the fourth quarter of last year after declining in the previous quarter (Exhibits 1 and 2). Due to the low level of foreclosure activity in the second half of 2011, Maryland foreclosures in the fourth quarter increased by 81.6 percent over last year, posting the second consecutive quarter of year-over-year increases. The quarterly increase is a signal that lenders are finally addressing their backlog of seriously delinquent loans. The backlog, in turn, was due to the delays in processing caused by the robo-signing controversy and the lenders' anticipation of the national foreclosure settlement.

Contributing to the growth in foreclosures was a 69.5 percent rise in the notices of default which increased to 2,892 events. On a year-over-year basis, notices of default increased for the second consecutive quarter posting an 82.1 percent annual growth, the highest annual increase since the second quarter of 2008. Also adding to the growth in foreclosures was a 39.8 percent increase in foreclosure sales. Foreclosure sales, increased to 2,514 notices, the highest quarterly volume since the third quarter of 2010. Foreclosure sales increased 123.1 percent above last year, posting the 4<sup>th</sup> consecutive quarter of year-over-year increases. Finally, the number of lender purchases grew by 30.0 percent in the fourth quarter to 1,084 properties. Lender purchases also grew by 35.7 percent over last year, recording the highest annual growth rate since the second quarter of 2010.

Maryland's fourth quarter foreclosure rate increased from 17.5 foreclosures per 10,000 households in the third quarter to 26.8. Nevertheless, the State's foreclosure rate in the fourth quarter was 29.8 percent below the national average rate of 38.2. The State's national ranking in foreclosure rate declined from the 16<sup>th</sup> lowest in the third quarter to the 31<sup>st</sup> lowest in the fourth quarter.

The year-end data show that Maryland posted a total of 17,126 foreclosure events in 2012, up 18.8 percent from 2011. Foreclosures increased in all Maryland jurisdictions but Prince George's County where it declined by 11.6 percent. Maryland recorded 72.0 foreclosures per 10,000 households in 2012, the 15<sup>th</sup> lowest rate in the nation and, with the exception of West Virginia, the lowest rate among our neighboring states. The national ranking excludes the District of Columbia. Maryland foreclosure rate in 2012 was 48.4 percent below the national average foreclosure rate of 139.5.

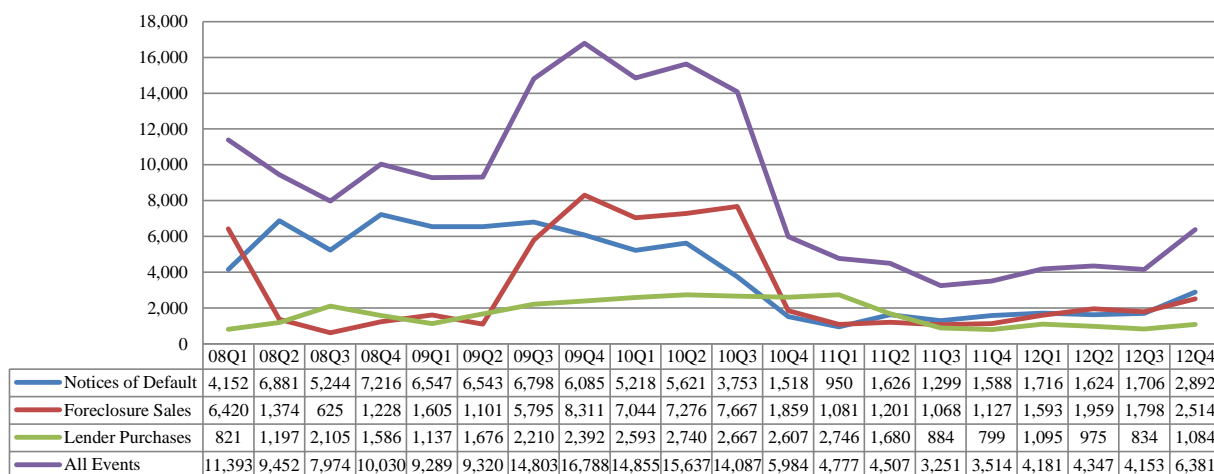
### EXHIBIT 1. FORECLOSURES IN MARYLAND AND U.S. FOURTH QUARTER 2012

Indicator	Notices of Default	Notices of Sales	Lender Purchases	Properties with Foreclosure Filings*
<i>Maryland</i>				
Number of Events	2,892	2,514	1,084	6,381
Change (Last Quarter)	69.5%	39.8%	30.0%	53.6%
Change (Last Year)	82.1%	123.1%	35.7%	81.6%
<i>U.S.</i>				
Number of Events	154,273	209,844	165,666	503,462
Change (Last Quarter)	-14.4%	-7.2%	3.8%	-5.3%
Change (Last Year)	-16.0%	-7.4%	-5.7%	-14.1%

\* The sum of the three stages of foreclosure may exceed the number of properties. The last column in this table represent the number of unique property foreclosures, hence multiple counting of the events has been eliminated.

Source: RealtyTrac

### EXHIBIT 2. FORECLOSURE ACTIVITY IN MARYLAND 2008 Q1-2012 Q4



Source: RealtyTrac

# **PROPERTY FORECLOSURE EVENTS IN MARYLAND FOURTH QUARTER 2012**

## **INTRODUCTION**

RealtyTrac reported a total of 503,462 unique property foreclosure filings (or events) in the U.S., including notices of default, notices of foreclosure sales and lender purchases of foreclosed properties, during the fourth quarter of 2012, down 5.3 percent below the previous quarter and down 14.1 percent below the fourth quarter of 2011. The U.S. foreclosure rate, defined as the number of foreclosures per 10,000 households, declined from 40.4 in the previous quarter to 38.2 in the current quarter. About two-thirds of the judicial states such as Maryland reported year-over-year growth in foreclosure activity, while over 70 percent of the non-judicial states posted an annual decline. The annual decline in the nation's foreclosure activity is due to the large year-over-year declines in non-judicial states' foreclosure events.

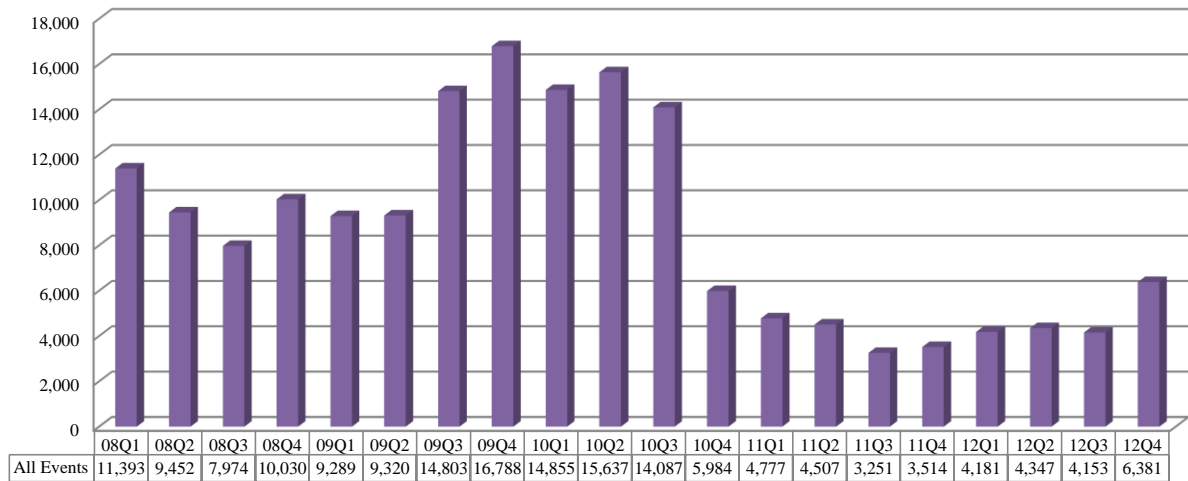
RealtyTrac reported the total number of filings in each stage of foreclosure. As a result, the sum of the three stages of foreclosure may exceed the total number of properties. However, to eliminate multiple counting of foreclosure events, total number of foreclosures in this report represents the number of unique properties only.

Foreclosure events in Maryland increased 53.6 percent to 6,381 in the fourth quarter, resuming their upward trend that started in the fourth quarter of last year after declining in the previous quarter (Chart 1). Due to the low level of foreclosure activity in the second half of 2011, Maryland foreclosures in the fourth quarter increased by 81.6 percent over last year, posting the second consecutive quarter of year-over-year increases. The quarterly increase in total foreclosure events is a signal that lenders are finally addressing their backlog of seriously delinquent (90+ days) loans. The backlog, in turn, was due to the delays in processing caused by the robo-signing controversy and the lenders' anticipation of the national foreclosure settlement.

Notices of default grew by 69.5 percent to 2,892 filings. On a year-over-year basis, notices of default increased for the second consecutive quarter posting an 82.1 percent annual growth, the highest annual increase since the second quarter of 2008. Foreclosure sales rose by 39.8 percent to 2,514, posting the highest quarterly volume since the third quarter of 2010. Foreclosure sales increased 123.1 percent above last year, recording the 4<sup>th</sup> consecutive quarter of year-over-year increases. Finally, the number of lender purchases grew by 30.0 percent in the fourth quarter to 1,084 properties. Lender purchases also grew by 35.7 percent over last year, recording the highest annual growth rate since the second quarter of 2010.

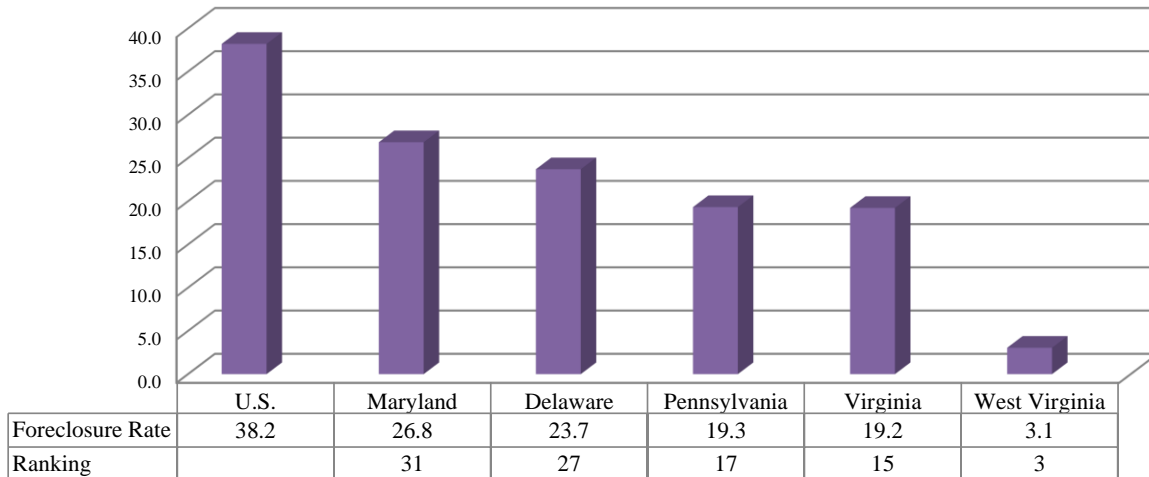
Maryland's fourth quarter foreclosure rate increased from 17.5 foreclosures per 10,000 households in the third quarter to 26.8. Nevertheless, the State's foreclosure rate in the fourth quarter was 29.8 percent below the national average rate of 38.2. The State's national ranking in foreclosure rate declined from the 16<sup>th</sup> lowest in the third quarter to the 31<sup>st</sup> lowest in the fourth quarter (Chart 2).

**CHART 1**  
**TOTAL FORECLOSURE ACTIVITY IN MARYLAND**



Source: RealtyTrac

**CHART 2**  
**FORECLOSURE RATES IN THE REGION: 4<sup>TH</sup> QUARTER 2012**  
**NUMBER OF FORECLOSURES PER 10,000 HOUSEHOLDS**



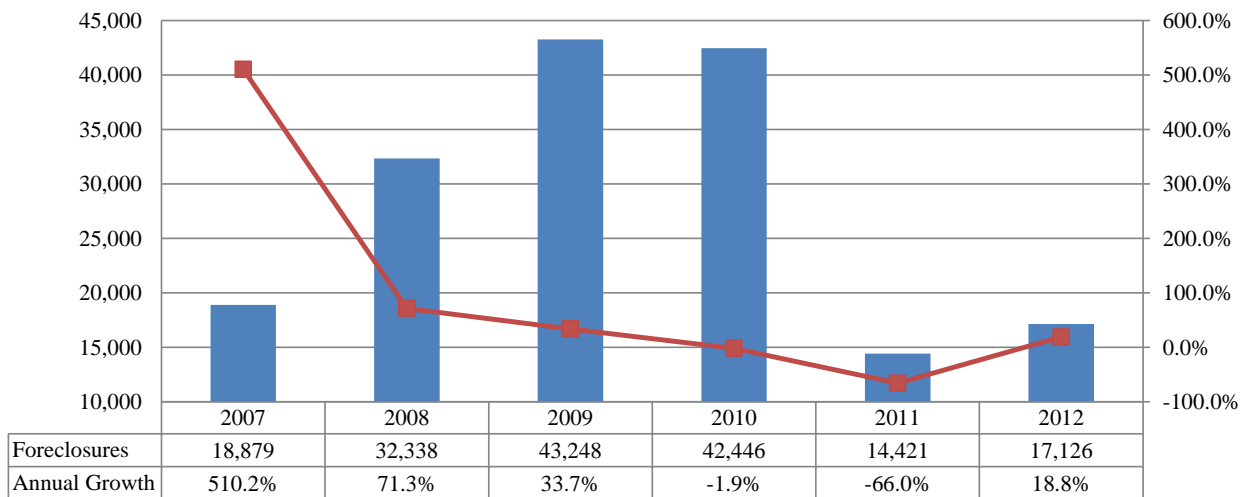
Source: RealtyTrac

Table 1 shows the distribution of the fourth quarter foreclosure events in Maryland. Prince George's County with 1,438 foreclosures had the largest share of foreclosures statewide, accounting for 22.5 percent of the total. Foreclosure activity in that county grew by 11.1 percent above the previous quarter and was up 38.8 percent over last year. Baltimore City with 965 foreclosures, or 15.1 percent of the total, had the second highest number of foreclosures in Maryland. The City's foreclosures increased by 56.6 percent over the previous quarter and were up 102.5 percent above last year. Baltimore County with 776 filings had the third largest number of foreclosures, accounting for 12.2 percent of the total. The County's foreclosures grew by 51.6 percent above the previous quarter and were up 94.7 percent over last year. Other counties with large reported foreclosure events include Montgomery (664 foreclosures or 10.4 percent of the total), Anne Arundel (482 foreclosures or 7.6 percent), Charles (274 foreclosures or 4.3 percent), Harford (243 foreclosures or 3.8 percent) and Frederick (239 foreclosures or 3.7 percent). These eight jurisdictions represented 79.6 percent of all foreclosures statewide.

<b>TABLE 1. PROPERTY FORECLOSURE EVENTS IN MARYLAND JURISDICTIONS FOURTH QUARTER 2012</b>							
<b>Jurisdiction</b>	<b>Notices of Default</b>	<b>Notices of Sales</b>	<b>Lender Purchases (REO)</b>	<b>Total*</b>			
				<b>Number</b>	<b>County Share</b>	<b>% Change from</b>	
						<b>2012 Q3</b>	<b>2011 Q4</b>
Allegany	10	11	6	28	0.4%	119.4%	499.4%
Anne Arundel	202	212	64	482	7.6%	116.1%	116.4%
Baltimore	334	320	120	776	12.2%	51.6%	94.7%
Baltimore City	400	378	197	965	15.1%	56.6%	102.5%
Calvert	58	42	21	115	1.8%	97.5%	158.1%
Caroline	34	15	9	58	0.9%	177.1%	430.0%
Carroll	73	44	27	132	2.1%	167.1%	49.5%
Cecil	57	32	21	111	1.7%	146.7%	593.8%
Charles	132	95	50	274	4.3%	164.1%	126.5%
Dorchester	25	28	10	64	1.0%	404.5%	197.6%
Frederick	112	97	42	239	3.7%	39.4%	36.9%
Garrett	14	1	2	19	0.3%	130.5%	340.5%
Harford	113	108	27	243	3.8%	55.6%	47.9%
Howard	98	69	23	187	2.9%	85.0%	106.2%
Kent	8	11	5	23	0.4%	92.1%	92.6%
Montgomery	338	270	81	664	10.4%	41.5%	77.0%
Prince George's	618	594	273	1,438	22.5%	11.1%	38.8%
Queen Anne's	28	26	7	59	0.9%	76.4%	49.2%
Somerset	14	9	7	31	0.5%	327.5%	467.3%
St. Mary's	43	37	14	93	1.5%	147.2%	113.3%
Talbot	18	14	6	36	0.6%	44.0%	88.2%
Washington	62	32	45	137	2.1%	22.9%	59.9%
Wicomico	67	39	16	124	1.9%	237.8%	303.2%
Worcester	33	33	13	83	1.3%	142.6%	197.3%
<b>Maryland</b>	<b>2,892</b>	<b>2,514</b>	<b>1,084</b>	<b>6,381</b>	<b>100.0%</b>	<b>53.6%</b>	<b>81.6%</b>
<i>*The sum of the three stages of foreclosure may exceed the total. Total number of foreclosures represents unique properties.</i>							
<i>Source: RealtyTrac</i>							

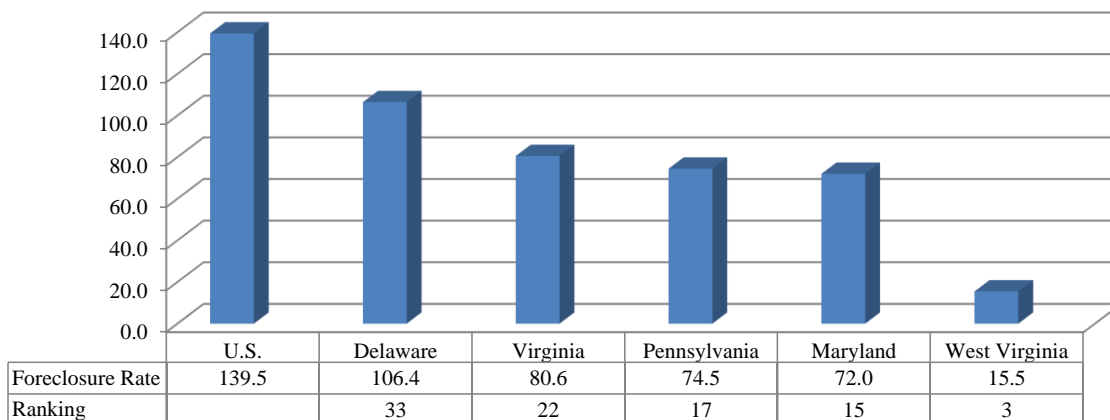
The year-end data show that Maryland posted a total of 17,126 foreclosure events in 2012, up 18.8 percent from 2011 (Chart 3). Maryland recorded 72.0 foreclosures per 10,000 households in 2012, representing the 15<sup>th</sup> lowest foreclosure rate in the nation and, with the exception of West Virginia, the lowest rate among our neighboring states. The national ranking excludes the District of Columbia (Chart 4). Maryland foreclosure rate in 2012 was 48.4 percent below the national average foreclosure rate of 139.5.

**CHART 3**  
**PROPERTY FORECLOSURES IN MARYLAND: YEAR-END 2007-12**



Source: RealtyTrac

**CHART 4**  
**FORECLOSURE RATES IN THE REGION: YEAR-END 2012**  
**NUMBER OF FORECLOSURES PER 10,000 HOUSEHOLDS**



Source: RealtyTrac



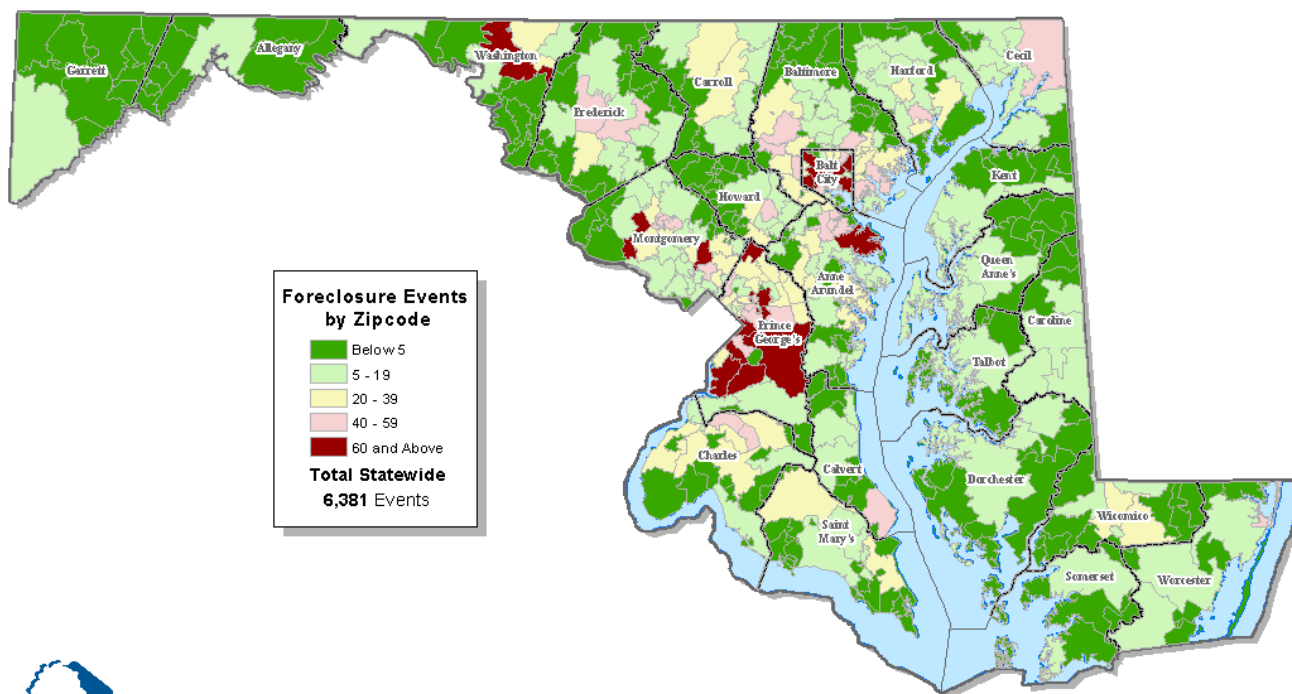
In 2012, foreclosures increased in all Maryland jurisdictions but Prince George's County where it declined by 11.6 percent (Table 2). Prince George's County with 4,265 foreclosures accounted for 24.9 percent of all properties with a foreclosure filing in 2012, the highest share among Maryland's 24 jurisdictions. Baltimore City with 2,685 property foreclosures had the second highest share (15.7 percent), followed by Baltimore County with 2,119 foreclosures or 12.4 percent, Montgomery County with 1,741 foreclosures or 10.2 percent and Anne Arundel County with 1,167 foreclosures or 6.8 percent.

**TABLE 2. PROPERTY FORECLOSURE EVENTS IN MARYLAND  
YEAR-END 2012**

<b>Jurisdiction</b>	<b>Number</b>	<b>County Share</b>	<b>% Change from 2011</b>
Allegany	74	0.4%	40.5%
Anne Arundel	1,167	6.8%	11.7%
Baltimore	2,119	12.4%	35.3%
Baltimore City	2,685	15.7%	56.8%
Calvert	291	1.7%	59.4%
Caroline	108	0.6%	78.7%
Carroll	281	1.6%	10.4%
Cecil	377	2.2%	292.7%
Charles	632	3.7%	37.7%
Dorchester	116	0.7%	20.3%
Frederick	691	4.0%	11.5%
Garrett	50	0.3%	124.9%
Harford	677	4.0%	39.0%
Howard	449	2.6%	12.7%
Kent	55	0.3%	37.9%
Montgomery	1,741	10.2%	17.8%
Prince George's	4,265	24.9%	-11.6%
Queen Anne's	131	0.8%	6.9%
Somerset	54	0.3%	38.7%
St. Mary's	238	1.4%	70.2%
Talbot	92	0.5%	22.0%
Washington	424	2.5%	10.5%
Wicomico	240	1.4%	104.0%
Worcester	167	1.0%	17.0%
<b>Maryland</b>	<b>17,126</b>	<b>100.0%</b>	<b>18.8%</b>

Source: RealtyTrac

**MAP 1: DISTRIBUTION OF PROPERTY FORECLOSURE EVENTS IN MARYLAND  
FOURTH QUARTER 2012**



Marlin O. Malley, Governor  
Anthony G. Brown, Lt. Governor  
Raymond A. Skinner, Secretary  
Clarence J. Snuggs, Deputy Secretary

Data Source: RealtyTrac.com

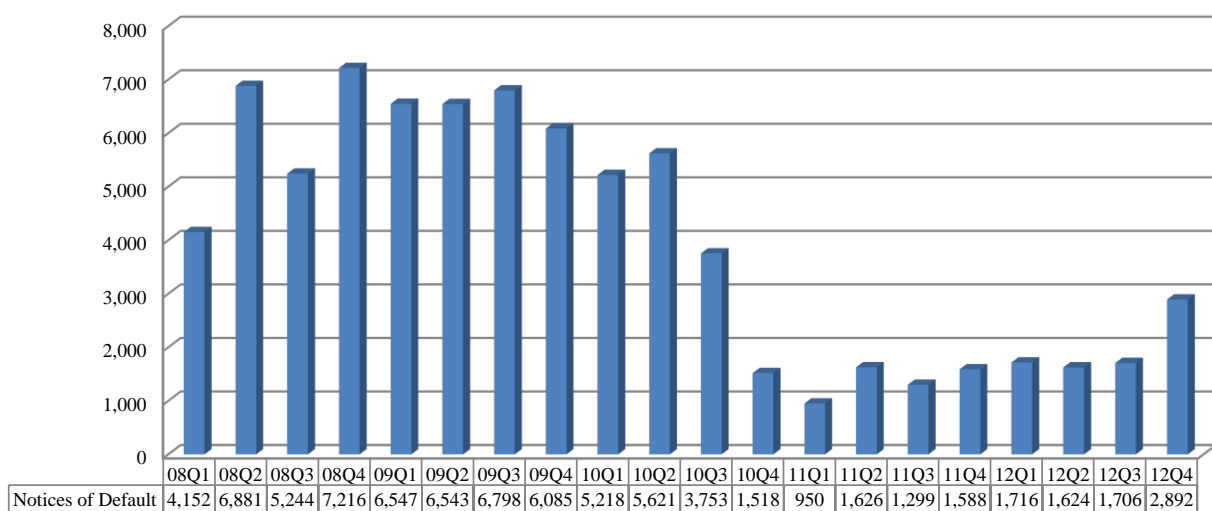
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## NOTICES OF MORTGAGE LOAN DEFAULT

Notices of default grew by 69.5 percent to 2,892 filings, posting the highest quarterly volume in two years (Chart 5). On a year-over-year basis, notices of default increased for the second consecutive quarter posting an 82.1 percent annual growth, the highest annual increase since the second quarter of 2008.

Prince George's County accounted for the largest share of defaults – 21.4 percent of all filings statewide or 618 notices (Table 3). The County's default notices increased by 6.5 percent over the previous quarter and were up 47.4 percent above last year. Baltimore City with 400 default notices (13.8 percent of the total) had the second highest number of defaults in Maryland. The City's loan defaults increased by 165.6 percent above the previous quarter and were up 169.8 percent over last year. Montgomery County with 338 default notices, or 11.7 percent of the total, had the third highest number of notices. The County's default notices grew by 29.3 percent over the previous quarter and were up 49.3 percent above last year. Baltimore County with 334 default notices, or 11.5 percent of the total, had the fourth highest number of notices. Anne Arundel County with 202 default notices, or 7.0 percent of the total, had the fifth highest number of notices, followed by Charles County with 132 defaults or 4.5 percent of the total, Harford County with 113 notices (3.9 percent), Frederick County with 112 notices (3.9 percent) and Howard County with 98 defaults or 3.4 percent. Together, these nine jurisdictions represented 77.8 percent of all default notices issued statewide.

**CHART 5**  
**NOTICES OF MORTGAGE LOAN DEFAULT ISSUED IN MARYLAND**



Source: RealtyTrac

**TABLE 3**  
**NOTICES OF MORTGAGE LOAN DEFAULT**  
**ISSUED IN MARYLAND: FOURTH QUARTER 2012**

<b>Jurisdiction</b>	<b>2012 Q4</b>		<b>% Change from</b>	
	<b>Number</b>	<b>% of Total</b>	<b>2012 Q3</b>	<b>2011 Q4</b>
Allegany	10	0.3%	-7.1%	113.4%
Anne Arundel	202	7.0%	167.8%	192.9%
Baltimore	334	11.5%	163.3%	213.0%
Baltimore City	400	13.8%	165.6%	169.8%
Calvert	58	2.0%	120.8%	43.8%
Caroline	34	1.2%	759.8%	696.1%
Carroll	73	2.5%	167.4%	16.6%
Cecil	57	2.0%	280.0%	418.2%
Charles	132	4.5%	251.8%	93.3%
Dorchester	25	0.9%	323.3%	252.3%
Frederick	112	3.9%	2.8%	-5.0%
Garrett	14	0.5%	121.7%	319.0%
Harford	113	3.9%	45.8%	15.5%
Howard	98	3.4%	85.5%	72.7%
Kent	8	0.3%	88.5%	32.2%
Montgomery	338	11.7%	29.3%	49.3%
Prince George's	618	21.4%	6.5%	47.4%
Queen Anne's	28	1.0%	74.4%	-3.2%
Somerset	14	0.5%	436.6%	529.7%
St. Mary's	43	1.5%	187.5%	206.9%
Talbot	18	0.6%	200.0%	350.0%
Washington	62	2.1%	12.4%	1.0%
Wicomico	67	2.3%	181.0%	299.2%
Worcester	33	1.1%	111.9%	199.5%
<b>Maryland</b>	<b>2,892</b>	<b>100.0%</b>	<b>69.5%</b>	<b>82.1%</b>

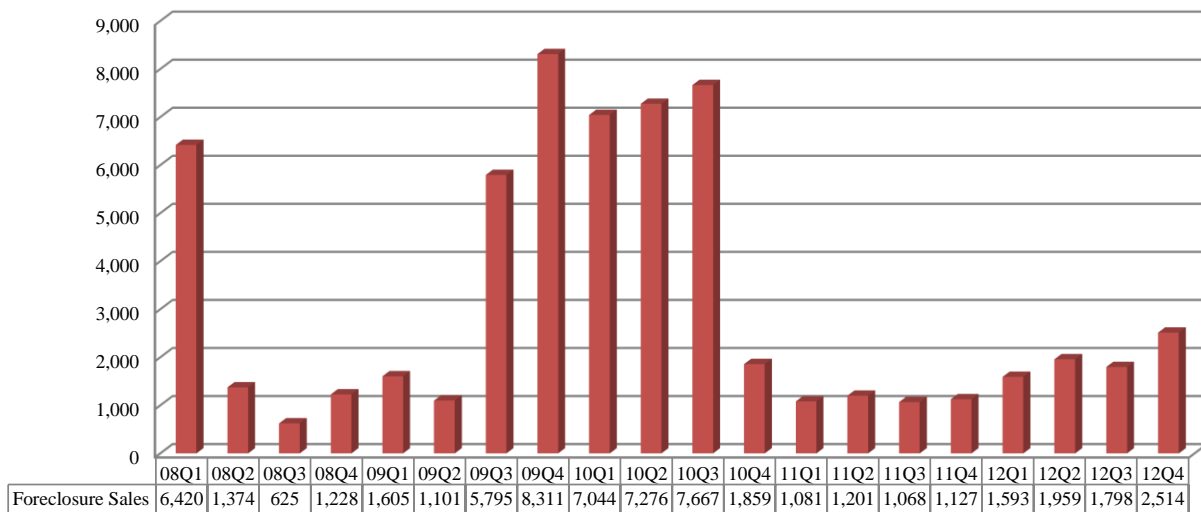
*Source: RealtyTrac*

## NOTICES OF FORECLOSURE SALES

Foreclosure sales rose by 39.8 percent to 2,514 in the fourth quarter, posting the highest quarterly volume since the third quarter of 2010 (Chart 6). Foreclosure sales increased 123.1 percent above last year, recording the 4<sup>th</sup> consecutive quarter of year-over-year increases.

Foreclosure sales increased by 21.9 percent in Prince George's County to 594 notices and were up 52.0 percent above last year. Foreclosure sales in that county accounted for 23.6 percent of all foreclosure sales statewide, the largest share among the State's twenty-four jurisdictions (Table 4). Baltimore City with 378 notices, or 15.0 percent of the total, had the second highest number of foreclosure sales in Maryland. The City's foreclosure sales increased by 8.9 percent above the previous quarter and were up 78.8 percent over last year. Baltimore County with 320 notices, or 12.7 percent of the total, had the third highest number of foreclosure sales. Notices of sales in that county rose by 6.8 percent over the previous quarter and were up 77.7 percent above last year. Montgomery County with 270 notices, or 10.7 percent of the total, had the fourth highest number of foreclosure sales. Notices of sales in that county grew by 43.6 percent over the previous quarter and were up 200.5 percent above last year. Anne Arundel County with 212 notices (or 8.4 percent), Harford County with 108 notices (or 4.3 percent), Frederick County with 97 notices or 3.8 percent and Charles County with 95 notices or 3.8 percent represented other jurisdictions with highly elevated numbers. Together, these eight jurisdictions accounted for 82.4 percent of all notices of sales issued statewide.

**CHART 6**  
**NOTICES OF FORECLOSURE SALES ISSUED IN MARYLAND**



Source: RealtyTrac

**TABLE 4**  
**NOTICES OF FORECLOSURE SALES**  
**ISSUED IN MARYLAND: FOURTH QUARTER 2012**

<b>Jurisdiction</b>	<b>2012 Q4</b>		<b>% Change from</b>	
	<b>Number</b>	<b>% of Total</b>	<b>2012 Q3</b>	<b>2011 Q4</b>
Allegany	11	0.4%	111.8%	n/a
Anne Arundel	212	8.4%	107.5%	128.8%
Baltimore	320	12.7%	6.8%	77.7%
Baltimore City	378	15.0%	8.9%	78.8%
Calvert	42	1.7%	68.8%	4072.0%
Caroline	15	0.6%	47.3%	644.5%
Carroll	44	1.7%	349.7%	204.2%
Cecil	32	1.3%	28.0%	n/a
Charles	95	3.8%	72.9%	336.7%
Dorchester	28	1.1%	1048.1%	597.5%
Frederick	97	3.8%	174.0%	241.2%
Garrett	1	0.1%	n/a	n/a
Harford	108	4.3%	48.4%	182.3%
Howard	69	2.8%	82.9%	236.1%
Kent	11	0.4%	130.0%	n/a
Montgomery	270	10.7%	43.6%	200.5%
Prince George's	594	23.6%	21.9%	52.0%
Queen Anne's	26	1.0%	86.5%	524.5%
Somerset	9	0.3%	n/a	n/a
St. Mary's	37	1.5%	108.4%	109.6%
Talbot	14	0.6%	-22.2%	239.0%
Washington	32	1.3%	7.1%	n/a
Wicomico	39	1.5%	3761.0%	1830.5%
Worcester	33	1.3%	214.9%	1090.0%
<b>Maryland</b>	<b>2,514</b>	<b>100.0%</b>	<b>39.8%</b>	<b>123.1%</b>

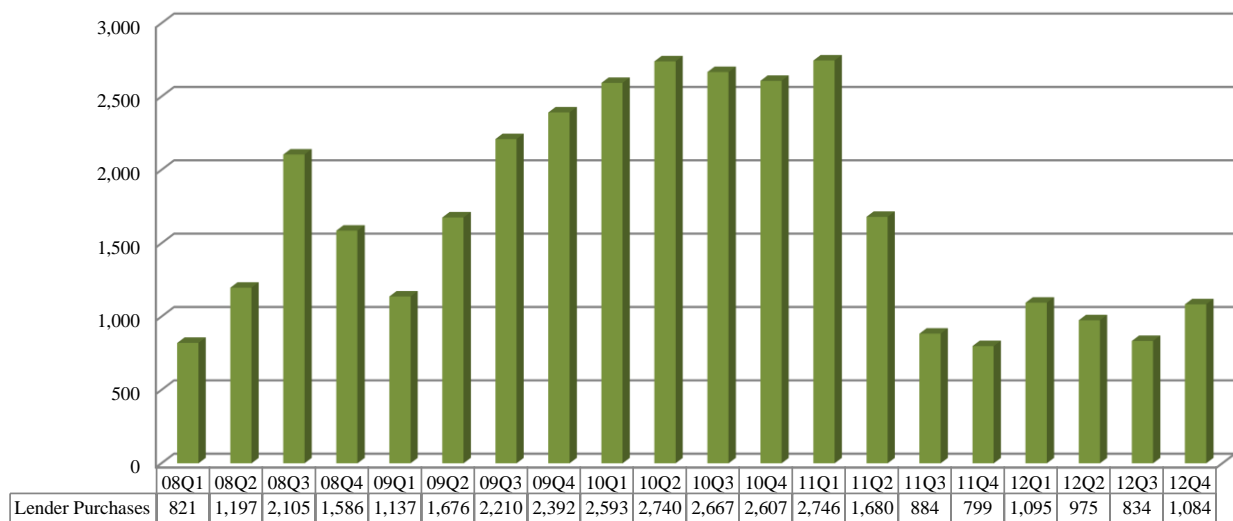
*n/a denotes division by zero*  
*Source: RealtyTrac*

## LENDER PURCHASES OF FORECLOSED PROPERTIES

The number of lender purchases grew by 30.0 percent in the fourth quarter to 1,084 properties (Chart 7). Lender purchases also grew by 35.7 percent over last year, recording the highest annual growth rate since the second quarter of 2010.

A total of 273 lender purchases occurred in Prince George's County, representing 25.2 percent of all lender purchases statewide, the largest share (Table 5). The number of lender purchases in the county increased by 3.5 percent over the previous quarter and was up 20.9 percent above last year. Baltimore City with 197 lender purchases (18.2 percent of the total) had the second highest concentration in Maryland. Lender purchases in the City increased by 37.6 percent above the previous quarter and were up 68.3 percent over a year ago. Baltimore County with 120 lender purchases (11.0 percent of the total) had the third highest concentration in Maryland. Lender purchases in that county increased by 20.8 percent over the last quarter and were up 6.6 percent above last year. Other jurisdictions that recorded higher lender purchases include Montgomery County (81 purchases or 7.4 percent), Anne Arundel County (64 purchases or 5.9 percent), Charles County (50 purchases or 4.6 percent), Washington County (45 purchases or 4.1 percent) and Frederick County (42 purchases or 3.8 percent). Together, these eight jurisdictions represented 80.3 percent of all lender purchases statewide.

**CHART 7**  
**LENDER PURCHASES OF FORECLOSED PROPERTIES IN MARYLAND**



Source: RealtyTrac

**TABLE 5**  
**LENDER PURCHASES OF FORECLOSED PROPERTIES**  
**IN MARYLAND: FOURTH QUARTER 2012**

Jurisdiction	2012 Q4		% Change from	
	Number	% of Total	2012 Q3	2011 Q4
Allegany	6	0.6%	212.5%	n/a
Anne Arundel	64	5.9%	14.9%	5.3%
Baltimore	120	11.0%	20.8%	6.6%
Baltimore City	197	18.2%	37.6%	68.3%
Calvert	21	1.9%	26.3%	507.6%
Caroline	9	0.8%	26.7%	87.0%
Carroll	27	2.5%	71.2%	135.6%
Cecil	21	1.9%	200.0%	320.0%
Charles	50	4.6%	118.5%	60.7%
Dorchester	10	1.0%	101.0%	2.5%
Frederick	42	3.8%	25.5%	46.3%
Garrett	2	0.2%	-41.7%	75.0%
Harford	27	2.5%	8.9%	-3.3%
Howard	23	2.1%	27.5%	78.4%
Kent	5	0.4%	18.0%	-11.0%
Montgomery	81	7.4%	156.5%	35.9%
Prince George's	273	25.2%	3.5%	20.9%
Queen Anne's	7	0.7%	50.0%	9.1%
Somerset	7	0.6%	54.1%	125.0%
St. Mary's	14	1.3%	52.8%	15.8%
Talbot	6	0.6%	200.0%	-45.5%
Washington	45	4.1%	22.2%	90.6%
Wicomico	16	1.5%	0.6%	32.6%
Worcester	13	1.2%	48.1%	-6.3%
<b>Maryland</b>	<b>1,084</b>	<b>100.0%</b>	<b>30.0%</b>	<b>35.7%</b>

Source: RealtyTrac



## FORECLOSURE HOT SPOTS

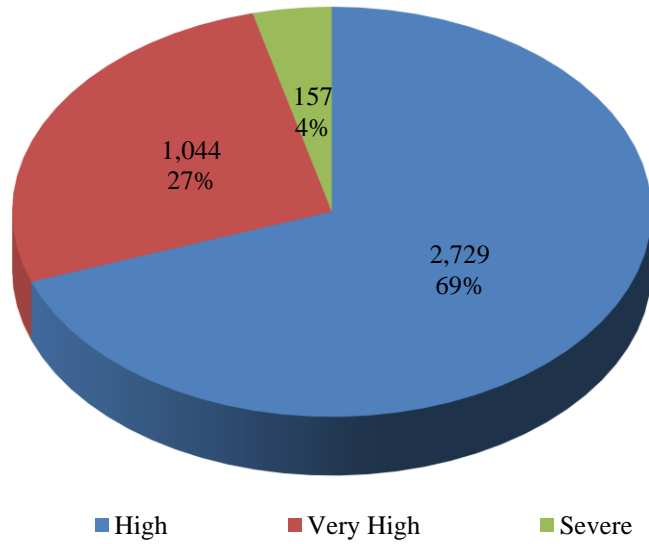
A foreclosure *Hot Spot* is defined as a community that had more than ten foreclosure events in the current quarter and recorded a foreclosure concentration ratio of greater than 100. The concentration ratio, in turn, is measured by a foreclosure index. The index measures the extent to which a community's foreclosure rate exceeds or falls short of the State average foreclosure rate. An index of 100 represents the weighted average foreclosure rate of 234.3 homeowner households per foreclosure in the fourth quarter of 2012. For example, the Franklin community of Baltimore City (zip code 21223) recorded a total of 63 foreclosure events in the fourth quarter, resulting in a foreclosure rate of 70 homeowner households per foreclosure and a corresponding foreclosure index of 335. As a result, the foreclosure concentration in Franklin is 235 percent above the state average index of 100. Overall, a total of 3,930 foreclosure events, accounting for 61.6 percent of all foreclosures in the fourth quarter, occurred in 96 *Hot Spots* communities across Maryland (Tables 5 and 6). These communities recorded an average foreclosure rate of 144 homeowner households per foreclosure and an average foreclosure index of 163. The *Hot Spots* communities are further grouped into three broad categories: "high," "very high," and "severe."

The "high" foreclosure communities posted foreclosure indices that fall between 100 and 200. Maryland jurisdictions with a "high" foreclosure problem recorded a total of 2,729 foreclosures in 72 communities, accounting for 69.4 percent of foreclosures in all *Hot Spots* and 42.8 percent of all foreclosures statewide (Charts 8 and 9). These jurisdictions recorded an average foreclosure rate of 164 and an average foreclosure index of 143.

The "very high" group includes jurisdictions that posted foreclosure indices of between 200 and 300. Jurisdictions with a "very high" foreclosure problem recorded 1,044 events in 20 communities, representing 26.6 percent of foreclosures across all *Hot Spots* and 16.4 percent of foreclosures statewide. These communities had an average foreclosure rate of 102 and an average foreclosure index of 229.

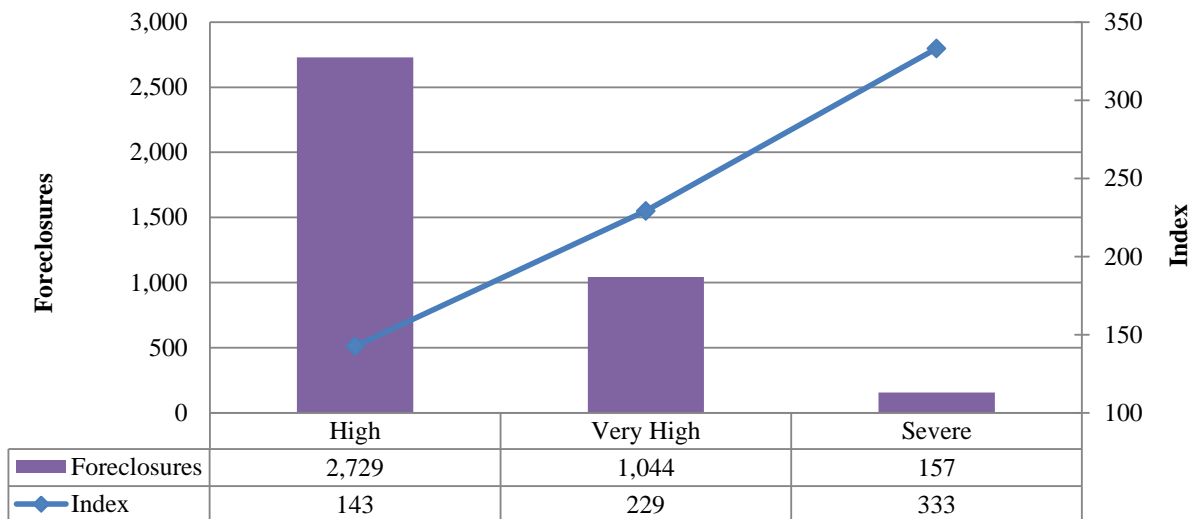
The "severe" group represents communities in which the foreclosure indices exceeded 300. Maryland jurisdictions with a "severe" foreclosure problem reported a total of 157 foreclosures in four communities, accounting for 4.0 percent of all foreclosures in *Hot Spots* communities and 2.5 percent of foreclosures statewide. These jurisdictions recorded an average foreclosure rate of 70 and an average foreclosure index of 333.

**CHART 8**  
**FORECLOSURE HOT SPOTS IN MARYLAND, FOURTH QUARTER 2012**



*Source: RealtyTrac and DHCD, Office of Policy, Planning and Research*

**CHART 9**  
**FORECLOSURES AND FORECLOSURE INDEX**  
**IN MARYLAND'S HOT SPOTS COMMUNITIES, FOURTH QUARTER 2012**



*Source: RealtyTrac and DHCD, Office of Policy, Planning and Research*

**TABLE 5**  
**CHARACTERISTICS OF FORECLOSURE HOT SPOTS IN MARYLAND**  
**FOURTH QUARTER 2012**

<b>Category</b>	<b>High</b>	<b>Very High</b>	<b>Severe</b>	<b>All <i>Hot Spots</i> Communities</b>
Number of Communities	72	20	4	96
% of <i>Hot Spots</i> Communities	75.0%	20.8%	4.2%	100.0%
% of All Communities	13.9%	3.9%	0.8%	18.5%
Foreclosures	2,729	1,044	157	3,930
% of <i>Hot Spots</i> Communities	69.4%	26.6%	4.0%	100.0%
% of All Communities	42.8%	16.4%	2.5%	61.6%
Average Foreclosure Rate	164	102	70	144
Average Foreclosure Index	143	229	333	163
Number of Households	448,369	106,707	11,043	566,119
% of <i>Hot Spots</i> Communities	79.2%	18.8%	2.0%	100.0%
% of All Communities	30.0%	7.1%	0.7%	37.9%

*Source: RealtyTrac and DHCD, Office of Policy, Planning and Research*

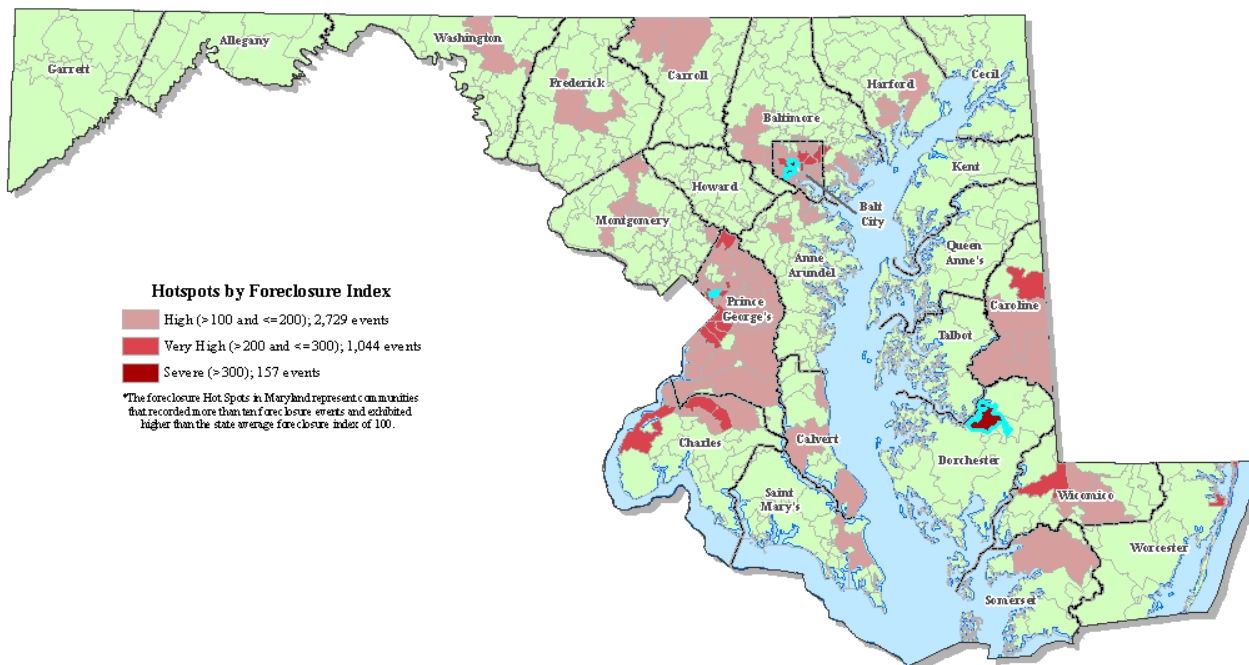
**TABLE 6**  
**FORECLOSURE *HOT SPOTS* IN MARYLAND**  
**FOURTH QUARTER 2012**

Jurisdiction	Number of Zip Codes	Foreclosures		Rate	Index	Number of Households
		Events	Percent			
Severe Foreclosures						
Baltimore City	2	127	80.9%	72	324	9,178
Dorchester	1	19	12.1%	54	430	1,035
Prince George's	1	11	7.0%	75	311	830
Maryland	4	157	100.0%	70	333	11,043
Very High Foreclosures						
Baltimore	1	38	3.6%	105	224	3,956
Baltimore City	5	329	31.5%	103	227	33,965
Caroline	1	11	1.1%	117	200	1,288
Charles	3	149	14.3%	101	232	15,058
Prince George's	8	461	44.1%	103	229	47,220
Wicomico	1	11	1.1%	101	231	1,116
Worcester	1	45	4.3%	91	257	4,104
Maryland	20	1,044	100.0%	102	229	106,707
High Foreclosures						
Anne Arundel	3	110	4.0%	182	129	20,062
Baltimore	9	307	11.3%	183	128	56,176
Baltimore City	12	473	17.3%	152	154	71,824
Calvert	3	80	2.9%	150	156	12,027
Caroline	3	42	1.5%	141	166	5,910
Carroll	2	42	1.5%	209	112	8,835
Charles	3	74	2.7%	143	164	10,635
Frederick	2	102	3.7%	189	124	19,316
Harford	3	112	4.1%	186	126	20,865
Montgomery	7	266	9.7%	184	127	48,971
Prince George's	20	931	34.1%	148	159	137,430
Somerset	1	15	0.5%	135	173	2,031
St. Mary's	1	24	0.9%	196	120	4,705
Washington	1	75	2.7%	182	128	13,686
Wicomico	2	76	2.8%	210	111	15,895
Maryland	72	2,729	100.0%	164	143	448,369

Source: RealtyTrac and DHCD, Office of Policy, Planning and Research

## MAP 2

### DISTRIBUTION OF FORECLOSURE *HOT SPOTS* IN MARYLAND FOURTH QUARTER 2012



Source: RealtyTrac and DHCD Office of Research

pub. date: 01/29/2013

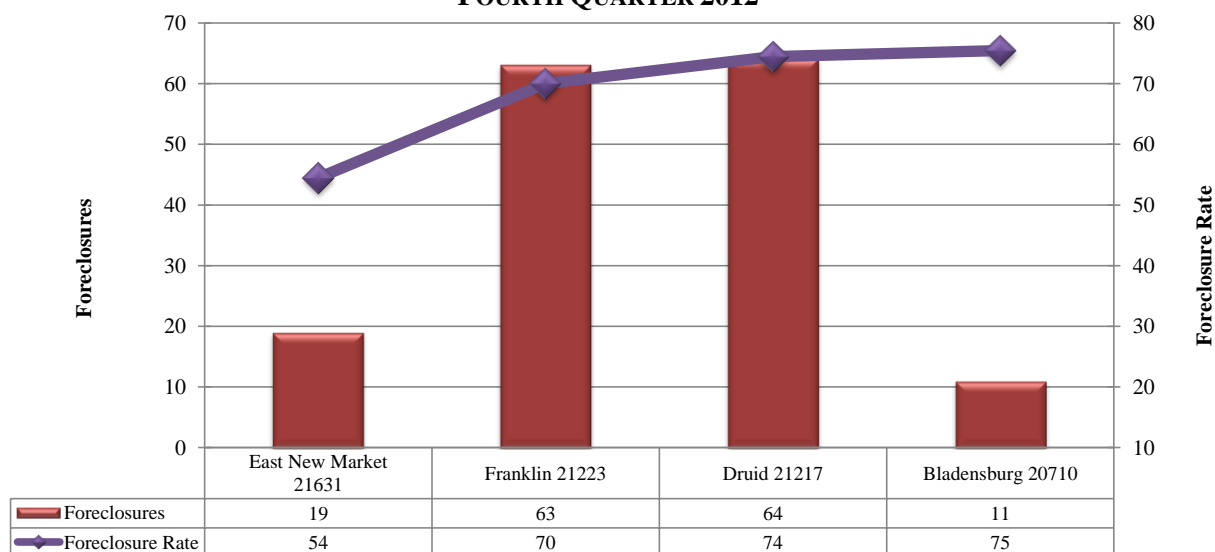
## SEVERE FORECLOSURE HOT SPOTS

The “severe” group represents communities in which the foreclosure indices exceeded 300. Maryland jurisdictions with a “severe” foreclosure problem reported a total of 157 foreclosures in four communities, accounting for 4.0 percent of all foreclosures in *Hot Spots* communities and 2.5 percent of foreclosures statewide. These jurisdictions recorded an average foreclosure rate of 70 and an average foreclosure index of 333.

Property foreclosures in “severe” foreclosure *Hot Spots* were concentrated in Baltimore City, Dorchester County and Prince George’s County (Table 7). Baltimore City with 127 foreclosures accounting for 80.9 percent of all foreclosures in this group recorded the highest number of properties in the “severe” foreclosure category. The impacted communities in the City posted a weighted average foreclosure rate of one foreclosure per 72 homeowner households and an average foreclosure index of 324. Dorchester County with 19 foreclosures accounted for 12.1 percent of foreclosures in this group, while Prince George’s County with 11 foreclosures represented the remaining 7.0 percent of foreclosures in this category.

Communities with the highest foreclosure incidence include Franklin and Druid in Baltimore City, East New Market in Dorchester County and Bladensburg in Prince George’s County (Chart 10 and Table 8). The hardest hit community in Maryland during the fourth quarter of 2012 was East New Market (zip code 21631) in Dorchester County. This community recorded a total of 19 foreclosures, resulting in a foreclosure rate of 54 homeowner households per foreclosure and a corresponding foreclosure index of 430. As a result, the foreclosure concentration in this community was 330 percent above the state average.

**CHART 10**  
**PROPERTY FORECLOSURES IN TOP 10**  
**“SEVERE” *HOT SPOTS* JURISDICTIONS**  
**FOURTH QUARTER 2012**



Source: RealtyTrac and DHCD, Office of Policy, Planning and Research

**TABLE 7**  
**SEVERE FORECLOSURE *HOT SPOTS***  
**FOURTH QUARTER 2012**

<b>Jurisdiction</b>	<b>Foreclosure Events</b>		<b>Average Foreclosure Rate</b>	<b>Average Foreclosure Index</b>	<b>Homeowner Households</b>
	<b>Number</b>	<b>% of Total</b>			
Baltimore City	127	80.9%	72	324	9,178
Dorchester	19	12.1%	54	430	1,035
Prince George's	11	7.0%	75	311	830
<b>Maryland</b>	<b>157</b>	<b>100.0%</b>	<b>70</b>	<b>333</b>	<b>11,043</b>

*Source: RealtyTrac and DHCD, Office of Policy, Planning and Research*

**TABLE 8**  
**SEVERE FORECLOSURE HOT SPOTS IN MARYLAND**  
**FOURTH QUARTER 2012**

<b>Jurisdiction</b>	<b>Zip Code</b>	<b>P.O. Name</b>	<b>Foreclosures</b>	<b>Rate</b>	<b>Index</b>
Baltimore City	21223	Franklin	63	70	335
Baltimore City	21217	Druid	64	74	315
Dorchester	21631	East New Market	19	54	430
Prince George's	20710	Bladensburg	11	75	311
<b>All Communities</b>			<b>157</b>	<b>70</b>	<b>333</b>

*Source: RealtyTrac and DHCD, Office of Policy, Planning and Research*

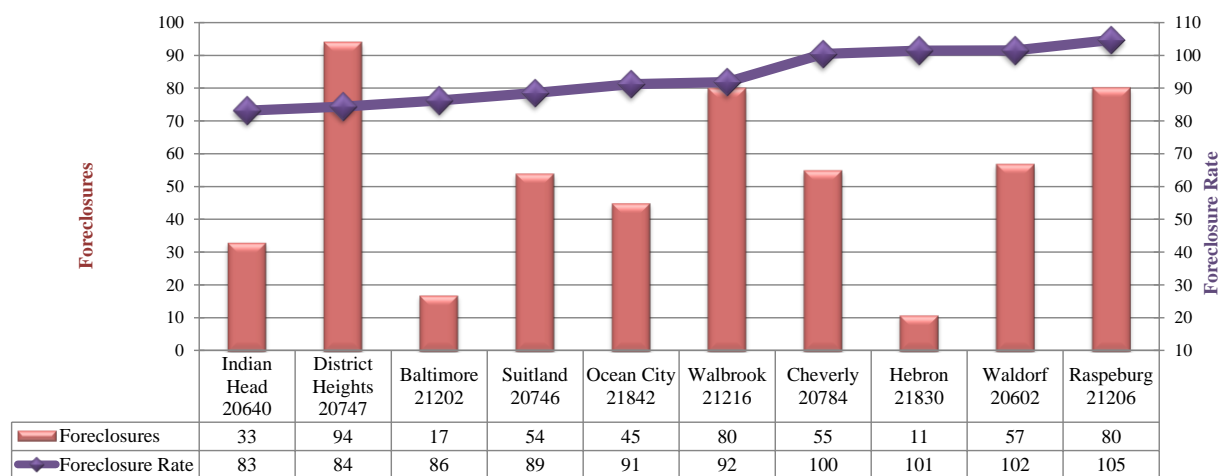
## VERY HIGH FORECLOSURE HOT SPOTS

The “very high” group includes jurisdictions that posted foreclosure indices of between 200 and 300. Jurisdictions with a “very high” foreclosure problem recorded 1,044 events in 20 communities, representing 26.6 percent of foreclosures across all *Hot Spots* and 16.4 percent of foreclosures statewide. These communities had an average foreclosure rate of 102 and an average foreclosure index of 229.

Property foreclosures in “very high” foreclosure *Hot Spots* were highly concentrated in Prince George’s and Charles counties as well as Baltimore City (Table 9). Prince George’s County with 461 foreclosures represented 44.1 percent of all foreclosures in the “very high” foreclosure category. The impacted communities in Prince George’s County posted a weighted average foreclosure rate of one foreclosure per 103 homeowner households and an average foreclosure index of 229.

The top ten communities with the highest foreclosure incidence include Raspeburg in Baltimore County; Baltimore and Walbrook in Baltimore City; Indian Head and Waldorf in Charles County; District Heights, Suitland and Cheverly in Prince George’s County; Hebron in Wicomico County; and Ocean City in Worcester County (Chart 11 and Table 10).

**CHART 11**  
**PROPERTY FORECLOSURES IN TOP 10**  
**“VERY HIGH” *Hot Spots* JURISDICTIONS**  
**FOURTH QUARTER 2012**



Source: RealtyTrac and DHCD, Office of Policy, Planning and Research



**TABLE 9**  
**VERY HIGH FORECLOSURE *HOT SPOTS***  
**FOURTH QUARTER 2012**

Jurisdiction	Foreclosure Events		Average Foreclosure Rate	Average Foreclosure Index	Homeowner Households
	Number	% of Total			
Baltimore	38	3.6%	105	224	3,956
Baltimore City	329	31.5%	103	227	33,965
Caroline	11	1.1%	117	200	1,288
Charles	149	14.3%	101	232	15,058
Prince George's	461	44.1%	103	229	47,220
Wicomico	11	1.1%	101	231	1,116
Worcester	45	4.3%	91	257	4,104
<b>Maryland</b>	<b>1,044</b>	<b>100.0%</b>	<b>102</b>	<b>229</b>	<b>106,707</b>

Source: RealtyTrac and DHCD, Office of Policy, Planning and Research

**TABLE 10**  
**VERY HIGH FORECLOSURE *HOT SPOTS* IN MARYLAND**  
**FOURTH QUARTER 2012**

Jurisdiction	Zip Code	P.O. Name	Foreclosures	Rate	Index
Baltimore	21206	Raspeburg	38	105	224
Baltimore City	21202	Baltimore	17	86	272
Baltimore City	21216	Walbrook	80	92	255
Baltimore City	21206	Raspeburg	80	105	224
Baltimore City	21213	Clifton	73	106	221
Baltimore City	21218	Waverly	79	114	205
Caroline	21639	Greensboro	11	117	200
Charles	20640	Indian Head	33	83	282
Charles	20602	Waldorf	57	102	231
Charles	20603	Waldorf	59	111	212
Prince George's	20747	District Heights	94	84	278
Prince George's	20746	Suitland	54	89	265
Prince George's	20784	Cheverly	55	100	233
Prince George's	20722	Brentwood	12	106	220
Prince George's	20707	Laurel	63	112	210
Prince George's	20743	Capitol Heights	84	113	208
Prince George's	20748	Temple Hills	79	113	207
Prince George's	20781	Hyattsville	20	116	203
Wicomico	21830	Hebron	11	101	231
Worcester	21842	Ocean City	45	91	257
<b>All Communities</b>			<b>1,044</b>	<b>102</b>	<b>229</b>

Source: RealtyTrac and DHCD, Office of Policy, Planning and Research

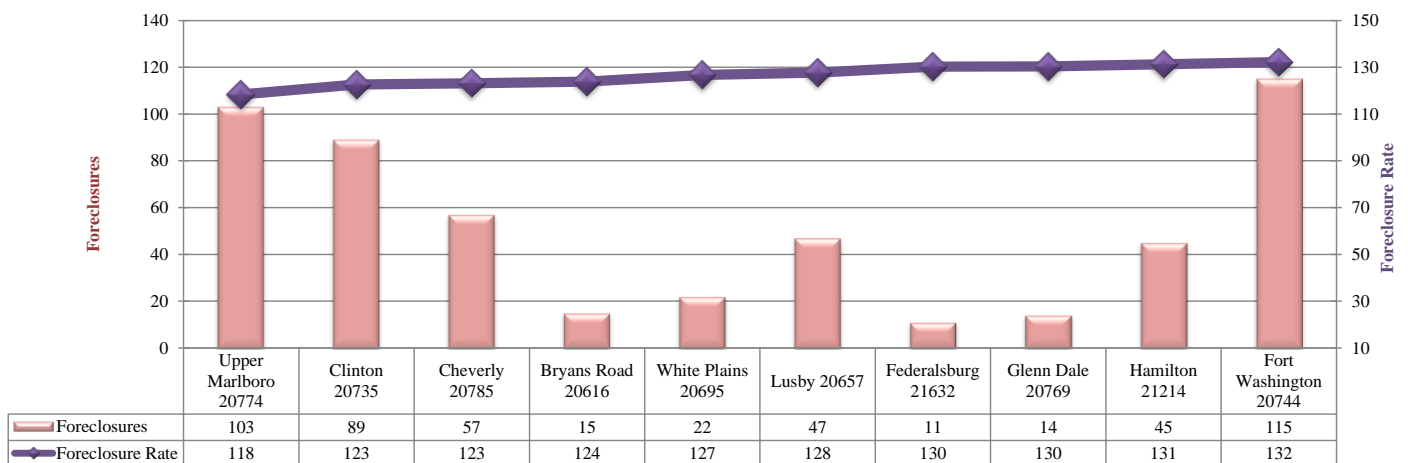
## HIGH FORECLOSURE HOT SPOTS

The “high” foreclosure communities posted foreclosure indices that fall between 100 and 200. Maryland jurisdictions with a “high” foreclosure problem recorded a total of 2,729 foreclosures in 72 communities, accounting for 69.4 percent of foreclosures in all *Hot Spots* and 42.8 percent of all foreclosures statewide (Table 11). These jurisdictions recorded an average foreclosure rate of 164 and an average foreclosure index of 143.

Property foreclosures in “high” foreclosure *Hot Spots* were concentrated in 15 jurisdictions including Anne Arundel, Baltimore, Calvert, Caroline, Carroll, Charles, Frederick, Harford, Montgomery, Prince George’s, Somerset, St. Mary’s, Washington and Wicomico counties as well as Baltimore City. Prince George’s County communities with 931 foreclosures, or 34.1 percent of all foreclosure events, represented the largest concentration of properties in this category. The County’s communities recorded an average foreclosure rate of 148 homeowner households per foreclosure and an average foreclosure index of 159.

The top ten communities with the highest foreclosure incidence in this group include Upper Marlboro, Clinton, Cheverly, Glenn Dale and Fort Washington in Prince George’s County; Bryans Road and White Plains in Charles County; Lusby in Calvert County; Federalsburg in Caroline County; and Hamilton in Baltimore City (Chart 12 and Table 12).

**CHART 12**  
**PROPERTY FORECLOSURES IN TOP 10**  
**“HIGH” *HOT SPOTS* JURISDICTIONS**  
**FOURTH QUARTER 2012**



Source: RealtyTrac and DHCD, Office of Policy, Planning and Research

**TABLE 11**  
**HIGH FORECLOSURE *HOT SPOTS***  
**FOURTH QUARTER 2012**

<b>Jurisdiction</b>	<b>Foreclosure Events</b>		<b>Average Foreclosure Rate</b>	<b>Average Foreclosure Index</b>	<b>Homeowner Households</b>
	<b>Number</b>	<b>% of Total</b>			
Anne Arundel	110	4.0%	182	129	20,062
Baltimore	307	11.3%	183	128	56,176
Baltimore City	473	17.3%	152	154	71,824
Calvert	80	2.9%	150	156	12,027
Caroline	42	1.5%	141	166	5,910
Carroll	42	1.5%	209	112	8,835
Charles	74	2.7%	143	164	10,635
Frederick	102	3.7%	189	124	19,316
Harford	112	4.1%	186	126	20,865
Montgomery	266	9.7%	184	127	48,971
Prince George's	931	34.1%	148	159	137,430
Somerset	15	0.5%	135	173	2,031
St. Mary's	24	0.9%	196	120	4,705
Washington	75	2.7%	182	128	13,686
Wicomico	76	2.8%	210	111	15,895
<b><i>Maryland</i></b>	<b><i>2,729</i></b>	<b><i>100.0%</i></b>	<b><i>164</i></b>	<b><i>143</i></b>	<b><i>448,369</i></b>

*Source: RealtyTrac and DHCD, Office of Policy, Planning and Research*

**TABLE 12**  
**HIGH FORECLOSURE HOT SPOTS IN MARYLAND**  
**FOURTH QUARTER 2012**

<b>Jurisdiction</b>	<b>Zip Code</b>	<b>P.O. Name</b>	<b>Foreclosures</b>	<b>Rate</b>	<b>Index</b>
Anne Arundel	21225	Brooklyn	31	133	176
Anne Arundel	21060	Glen Burnie	43	184	128
Anne Arundel	21144	Severn	36	222	105
Baltimore	21229	Carroll	10	137	171
Baltimore	21224	Highlandtown	24	144	163
Baltimore	21207	Gwynn Oak	58	144	162
Baltimore	21133	Randallstown	42	180	130
Baltimore	21239	Northwood	10	183	128
Baltimore	21244	Windsor Mill	37	186	126
Baltimore	21221	Essex	52	192	122
Baltimore	21117	Owings Mills	57	223	105
Baltimore	21212	Govans	17	232	101
Baltimore City	21214	Hamilton	45	131	178
Baltimore City	21225	Brooklyn	19	133	176
Baltimore City	21229	Carroll	71	137	171
Baltimore City	21215	Arlington	87	138	169
Baltimore City	21224	Highlandtown	65	144	163
Baltimore City	21207	Gwynn Oak	23	144	162
Baltimore City	21230	Morrell Park	57	146	161
Baltimore City	21205	Clifton East End	17	178	131
Baltimore City	21239	Northwood	29	183	128
Baltimore City	21211	Hampden	24	188	125
Baltimore City	21231	Patterson	13	194	121
Baltimore City	21212	Govans	23	232	101
Calvert	20657	Lusby	47	128	183
Calvert	20732	Chesapeake Beach	19	163	144
Calvert	20678	Prince Frederick	14	209	112
Caroline	21632	Feddersburg	11	130	180
Caroline	21629	Denton	19	144	162
Caroline	21655	Preston	12	145	162
Carroll	21158	Westminster	30	207	113
Carroll	21787	Taneytown	12	215	109
Charles	20616	Bryans Road	15	124	189
Charles	20695	White Plains	22	127	185
Charles	20601	Waldorf	37	160	146
Frederick	21702	Frederick	53	177	133
Frederick	21701	Frederick	49	203	115
Harford	21040	Edgewood	37	170	138
Harford	21001	Aberdeen	34	175	134
Harford	21009	Abingdon	41	210	111
Montgomery	20886	Montgomery Village	54	150	156

**TABLE 12**  
**HIGH FORECLOSURE HOT SPOTS IN MARYLAND**  
**FOURTH QUARTER 2012**

<b>Jurisdiction</b>	<b>Zip Code</b>	<b>P.O. Name</b>	<b>Foreclosures</b>	<b>Rate</b>	<b>Index</b>
Montgomery	20879	Laytonsville	40	179	131
Montgomery	20874	Darnestown	80	189	124
Montgomery	20876	Germantown	31	192	122
Montgomery	20866	Burtonsville	17	197	119
Montgomery	20872	Damascus	17	210	112
Montgomery	20877	Montgomery Village	27	212	111
Prince George's	20774	Upper Marlboro	103	118	198
Prince George's	20735	Clinton	89	123	191
Prince George's	20785	Cheverly	57	123	190
Prince George's	20769	Glenn Dale	14	130	180
Prince George's	20744	Fort Washington	115	132	177
Prince George's	20772	Upper Marlboro	99	133	176
Prince George's	20737	Riverdale	22	143	164
Prince George's	20706	Lanham	63	148	159
Prince George's	20721	Mitchellville	54	152	154
Prince George's	20745	Oxon Hill	31	157	149
Prince George's	20716	Mitchellville	38	159	147
Prince George's	20705	Beltsville	31	160	146
Prince George's	20720	Bowie	38	163	144
Prince George's	20783	Adelphi	41	170	138
Prince George's	20770	Greenbelt	24	184	127
Prince George's	20708	Laurel	21	186	126
Prince George's	20782	West Hyattsville	25	190	123
Prince George's	20607	Accokeek	14	201	116
Prince George's	20613	Brandywine	16	205	114
Prince George's	20715	Bowie	36	231	102
Somerset	21853	Princess Anne	15	135	173
St. Mary's	20653	Lexington Park	24	196	120
Washington	21740	Hagerstown	75	182	128
Wicomico	21801	Salisbury	37	187	125
Wicomico	21804	Salisbury	39	233	101
<b><i>All Communities</i></b>			<b><i>2,729</i></b>	<b><i>164</i></b>	<b><i>143</i></b>

*Source: RealtyTrac and DHCD, Office of Policy, Planning and Research*